

St. Francis Center West

Safety, Housing, Education, & Homelessness Committee

July 12, 2023

Alex Marqusee, Housing Development Officer

Department of Housing Stability



Action Requested Today

Approval of the following:

- **#23-0914– The St. Francis Center:** New loan agreement for \$2,700,000 in Homeless Resolution funds with a 60-year term to provide funding for a new affordable housing development located at 221 Federal Blvd (St. Francis Center West) in Council District 3 (HOST-202368730)
- **#23-0913– The St. Francis Center:** New grant agreement for \$1,350,000 in Homeless Resolution funds to provide funding for supportive housing services at 221 Federal Blvd (St. Francis Center West) in Council District 3 (HOST-202368709)

St. Francis Center West Development

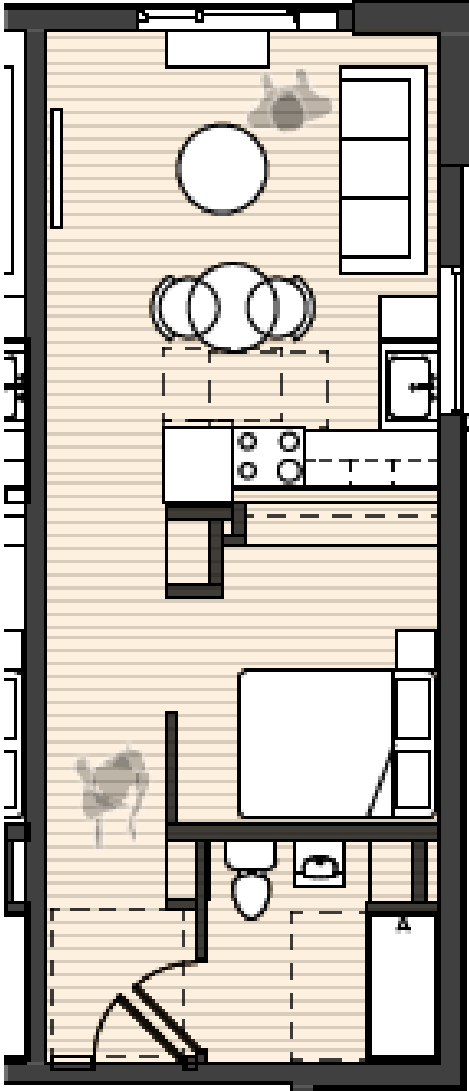
- St. Francis Center West will provide 59 units of supportive housing for older adults/households experiencing homelessness, and one unit for the on-site manager (total of 60 units)
- Located at 221 Federal Blvd in the Barnum neighborhood in Council District 3.
- Immediate access to Barnum Park and Recreation Center, RTD 30 and 31 bus lines, and shopping along S Federal.
- The building will be elevator serviced and all indoor/outdoor amenities will have accessible features for people with disabilities
- City previously contributed \$1million for acquisition which will be repaid at the tax credit closing.



Rent and Occupancy Restrictions

Unit Type	30% AMI	50% AMI	Manager (80% AMI)	Total
1bdr	25	25	1	51
2bdr	5	4		9
Total	30	29	1	60

The AMI thresholds are maximum figures. Actual rents paid by tenants will be capped at 30% of income with the remaining rent subsidy paid for by Section 8 vouchers through a Housing Assistant Payment contract with CDOH.



Project Details– Funding Sources

Sources	Total	%
Permanent Loan	\$ 7,150,000	28.40%
HOST Loan	\$ 2,700,000	10.70%
CDOH CF Loan	\$ 1,900,000	7.50%
LIHTC - 4%	\$ 9,894,996	39.30%
Deferred Developer Fee	\$ 549,139	2.20%
CDOH Grant	\$ 3,000,000	11.90%
Total	\$ 25,194,135	100%

- In addition to City funds, borrower will leverage private debt, Low Income Housing Tax Credit equity, state Division of Housing funds, deferred developer fees and grant funds.
- Overall total development cost is \$25,194,135 or \$419,902 per unit without land cost.

St. Francis Center West Loan Agreement

Contract Term	60 years from closing
Funding Source	Homeless Resolution Fund
Contract Amount	\$2,700,000

Scope of Work

- Denver provided \$12,500,000 in PAB for this project (assigned to CHFA via resolution 23-0584)
- HOST is recommending Council approval of a \$2,700,000 performance loan for gap financing development of the site
- Estimated construction completion fall of 2024
- A 60-year rental and occupancy covenant will be placed on the site

St. Francis Center West Services Agreement

Contract Term	1/1/2024-12/31/2039
Funding Source	Homeless Resolution Fund
Contract Amount	\$1,350,000

Scope of Work

- Contractor will provide supportive services to eligible participants to assist with maintaining housing
- HOST is recommending Council approval of a \$1,350,000 grant for supportive housing services (\$90,000 per year)
- Contractor must have a staff-to-client ratio of no less than one staff person to every fifteen supportive housing units.
- Annual reporting on outcomes and proposed budgets required to make draws.

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Questions?

Approved Budget (for first five years):

Forecast of Expenses (Year 1 Taken from Budget)	Year 1	Year 2	Year 3	Year 4	Year 5
	\$	\$	\$	\$	\$
Annual inflation factor of __3__% applied to Years 2-5	429,000.00	441,870.00	455,126.10	468,779.88	482,843.28
Forecast of Sources					
Name of Funder	Year 1	Year 2	Year 3	Year 4	Year 5
Project Cash Flow (3%)	(35,000.00)	(36,050.00)	(37,131.50)	(38,245.45)	(39,392.81)
Medicaid (2%)	(131,000.00)	(134,930.00)	(138,977.90)	(143,147.24)	(147,441.65)
HOST Services Gap Funding	(90,000.00)	(90,000.00)	(90,000.00)	(90,000.00)	(90,000.00)
DOH TSS	(212,400.00)	(212,400.00)	(212,400.00)	(212,400.00)	(212,400.00)
Additional Project Cash					(44,315.66)
Total Annual Sources Forecast	468,400	473,380	478,509	483,793	533,550



2023 MANDATORY AFFORDABLE HOUSING INCOME LIMITS

(Effective: June 15, 2023)

Current HUD Income Limits

Area Median Income	HOUSEHOLD SIZE					
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
120%	\$104,280	\$119,160	\$134,040	\$148,920	\$160,920	\$172,800
115%	\$99,935	\$114,195	\$128,455	\$142,715	\$154,215	\$165,600
100%	\$86,900	\$99,300	\$111,700	\$124,100	\$134,100	\$144,100
95%	\$82,855	\$94,335	\$106,115	\$117,895	\$127,395	\$136,800
90%	\$78,183	\$89,352	\$100,521	\$111,690	\$120,625	\$129,560
80%	\$69,520	\$79,440	\$89,360	\$99,280	\$107,280	\$115,200
60%	\$52,140	\$59,580	\$67,020	\$74,460	\$80,460	\$86,400
50%	\$43,450	\$49,650	\$55,850	\$62,050	\$67,050	72,000
30%	\$26,070	\$29,790	\$33,510	\$37,230	\$40,230	\$43,200